



FACT SHEET

March 2006

Foreign Market Development Program

The Foreign Market Development (FMD) Program, also known as the Cooperator Program, uses funds from the U.S. Department of Agriculture's (USDA) Commodity Credit Corporation (CCC) to create, expand, and maintain long-term export markets for U.S. agricultural products. First established under the authority of Public Law 480, the FMD was re-authorized by Title VII of the Agricultural Trade Act of 1978, and is administrated by USDA's Foreign Agricultural Service (FAS).

The Cooperator program has fostered a trade promotion partnership between USDA and U.S. agricultural producers and processors, who are represented by nonprofit commodity or trade associations called Cooperators. Under this partnership, USDA and the Cooperators pool their technical and financial resources to conduct overseas market development activities.

How the program benefits U.S. agriculture: The Cooperator program benefits U.S. farmers, processors, and exporters by assisting their organizations in developing new foreign markets and increasing market share in existing markets. Overseas promotions focus on generic U.S. commodities, rather than brand-name products, and are targeted toward long-term development.

How the program works: Under the FMD, CCC funds partially reimburse Cooperators conducting approved overseas promotional activities. Preference is given to nonprofit U.S. agricultural and trade groups that represent an entire industry or are nationwide in membership and scope.

Each year USDA announces an application period for participation in the FMD and publishes it in the Federal Register. Proposals for the FMD are developed by trade organizations and may be submitted to USDA as part of the Unified Export Strategy (UES) process that allows applicants to request funding for several USDA market development programs through a single strategically coordinated proposal. FMD regulations (7 CFR 1484), define program requirements, including cost-sharing, strategic planning, reimbursement procedures, records and reporting requirements, and evaluations.

FMD applications undergo a competitive review process. Funds are awarded to applicants that demonstrate effective performance based on a clear long-term strategic plan. Cooperators must keep an itemized list of expenses incurred during the program year and submit them to USDA for reimbursement. All expenses are subject to audits and Cooperators are accountable for maintaining proper documentation.

Where to get information: Contact the USDA–FAS Marketing Operations Staff, AG Box 1042, 1400 Independence Ave., SW Washington, DC 20250-1042; Phone: (202) 720-4327. General information about FAS programs, resources, and services is available on the Internet at the FAS home page: <http://www.fas.usda.gov>.

**Foreign Market Development (FMD) Program
Fiscal Year 2006**

FMD Cooperator	Allocation
American Forest & Paper Association	\$3,231,353
American Peanut Council	\$608,605
American Seed Trade Association	\$116,654
American Sheep Industry Association	\$151,542
American Soybean Association	\$6,556,621
Cotton Council International	\$3,527,345
Leather Industries of America	\$147,906
Mohair Council of America	\$18,078
National Dry Bean Council	\$114,441
National Hay Association	\$33,954
National Renderers Association	\$880,886
National Sunflower Association	\$207,897
North American Millers Association	\$45,510
U.S. Dairy Export Council	\$700,489
U.S. Grains Council	\$4,884,531
U.S. Hide, Skin and Leather Association	\$111,014
U.S. Livestock Genetics Export, Inc.	\$648,947
U.S. Meat Export Federation	\$1,832,509
U.S. Wheat Associates	\$5,283,711
USA Dry Pea and Lentil Council	\$152,652
USA Poultry and Egg Export Council	\$1,474,445
USA Rice Federation	\$1,350,071
<i>Subtotal</i>	\$32,079,161
<i>Reserve</i>	\$2,420,839
Total Allocation	\$34,500,000